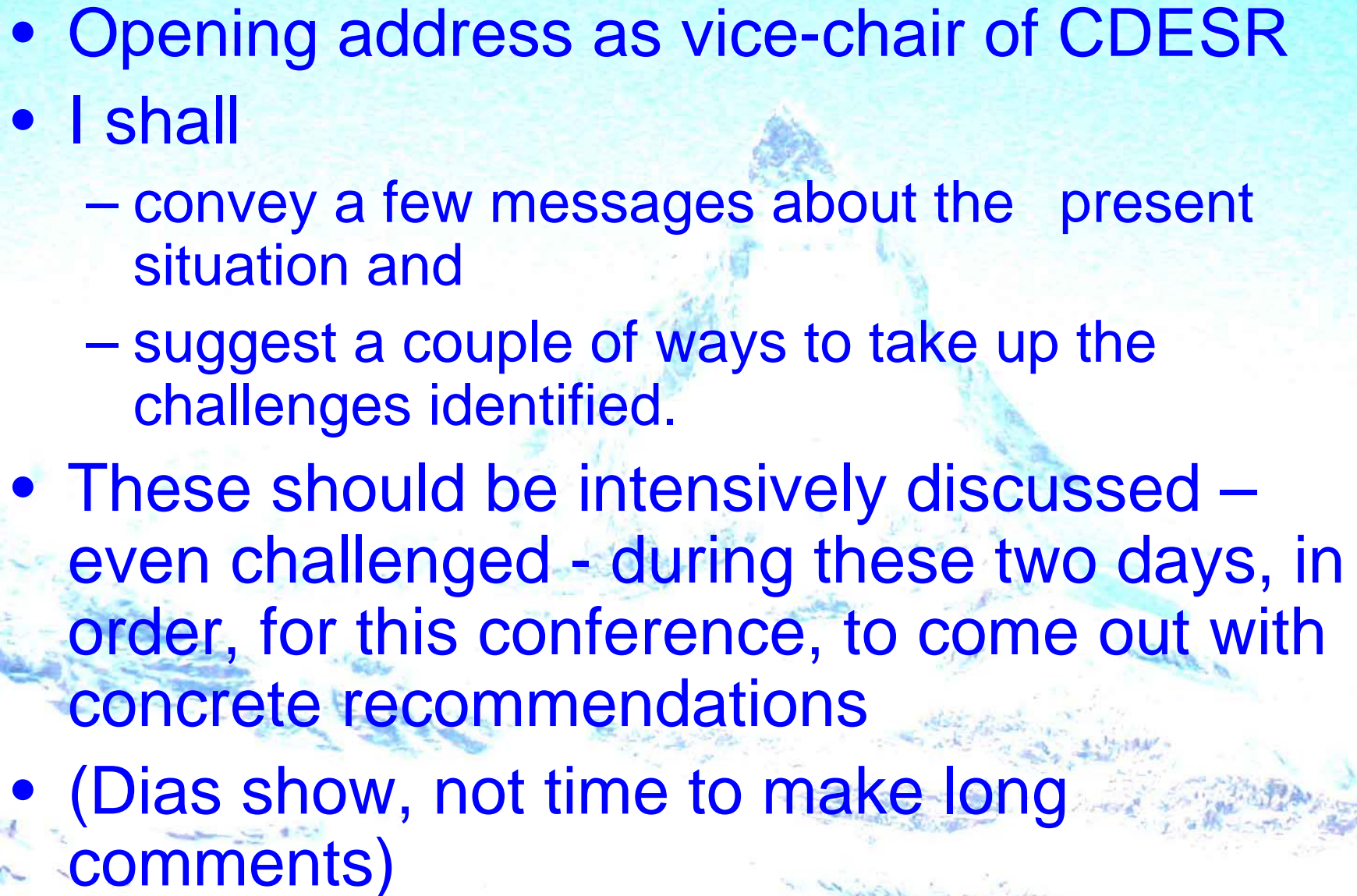


# EUROPEAN UNIVERSITY GOVERNANCE IN URGENT NEED OF CHANGE

Conference “Higher Education Governance between  
democratic culture, academic aspirations and market forces”

Council of Europe, Strasbourg, 22-23 September 2005

*Prof. Luc WEBER  
University of Geneva  
Vice-chair CDESR*

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- Opening address as vice-chair of CDESR
  - I shall
    - convey a few messages about the present situation and
    - suggest a couple of ways to take up the challenges identified.
  - These should be intensively discussed – even challenged - during these two days, in order, for this conference, to come out with concrete recommendations
  - (Dias show, not time to make long comments)

# MESSAGES





# 1) Universities are unique institutions

- **Missions** are as diverse as teaching, research and service to the collectivity, often at the frontiers of human knowledge
- **Stakeholders and beneficiaries** are as different as students, academic and administrative staff, business, sponsors, governments and citizens
- Universities need
  - Not only be **responsive** (to adapt to the changing environment)
  - But also to be **responsible** for the common long term interest of society (outside and inside the institutions)

- **Decision process**

- is uniquely decentralized, cumbersome and slow, with many redundancies due to the numerous checks and balances
- the nominated or elected leaders have little or no experience managing a big and complex institution
- Academics are more faithful to their discipline – which make their reputation - than their institution; moreover, they are particularly individualistic, selfish, and even sometime “integrist”
- For these reasons, there is a strong bias in favor of the status quo

- **“Love and hate” relation with government**

- Love=funding,
- Hate=strong regulation: lack of autonomy, even clear tendency for political micro-management



## 2) The rapidly changing world is challenging the universities and the system

- Causes:
  - Globalization, as well as scientific and technological progress
  - Within Europe, initiatives to create
    - ERA (incl, ERC and perhaps IST)
    - EHEA (Bologna) (massive political and bureaucratic shake-up whose final impact on the quality of universities is unpredictable)

- Moreover
  - Participation rate continues to increase
  - Demands addressed to universities are increasing (LLL, specialized training, research partnership)
  - Cost of research and teaching is increasing
  - Public funding is not forthcoming (governments have many other obligations: health, aging population, security)



- Consequences for universities are real and serious (Peter Drucker: “in 20 years, universities will be relics”
  - Increasing concurrence
    - Between traditional institutions
    - From new types of institutions (subsidiaries, distance learning, corporate universities)
  - Increasing obligation to collaborate (paradox!) with other institutions and with business (and government)
  - **Necessity to adapt faster to lead the change** (and not to undergo it)



- **Reminder about the challenge:** developing the knowledge society is the only chance for Europe to keep its envied standard of living and relatively good social cohesion
- **Therefore, Europe needs strong universities**
  - Glasgow declaration of EUA and
  - President Barroso's speech at the EUA convention in spring 2005
  - EU commission: "The role of universities"

### 3) Leading the change is a challenge for universities and the system

- Problem of the glass half “full” or “empty”?
  - Yes, universities do adapt to the changing environment, thanks to the capacity of adaptation of their academics and thanks to their successors!
  - However, my strong belief is:
    - That the “university of grand-father” is no more an option!
    - That universities and the university system is not adapting fast enough



- A truism: each institution, as well as the system, is bound to be good if
  - the new entering students are well prepared
  - the staff, the facilities, the equipments are good
  - funding is generous,.
- However, today's challenges require....
  - ... to be better, even from a good institution or system
  - Obviously, this is even more true for mediocre ones



A photograph of a person climbing a steep, snow-covered mountain peak. The climber is visible near the bottom right, silhouetted against the white snow. The mountain's surface is rugged and covered in patches of snow and ice. The sky is a clear, pale blue. The text "WAYS TO TAKE UP THE CHALLENGE: STONG UNIVERSITIES" is overlaid in the center in a bold, blue, sans-serif font.

# WAYS TO TAKE UP THE CHALLENGE: STONG UNIVERSITIES

# 1) Universities should be autonomous

- Autonomous universities are proactive (entrepreneurial): too much and bad regulations are initiative-killing and then the source of more regulation and political micro-management (vicious circle!)
- The scope of “real “ autonomy is broad (organization, degrees, choice of staff and leaders, as well as of students(?))
- Government funding is justified by the collective return on investment (teaching and research); moreover, governments and universities can agree on the missions of their universities by way of contract
- Governments should regulate the system to promote quality in setting up a system where universities are the key players and the owners of the system



## 2) Universities should be proactive (entrepreneurial) and accountable

- This implies that they:
  - Have a good understanding of their environment
  - Have a good knowledge of their portfolio (SWOT)
  - Set up their missions accordingly
  - Fix clear strategies to meet their missions
  - Organize themselves so that they can make decisions
  - Develop a rigorous quality culture
  - Are serious with the necessary accountability and transparency



### 3) Universities (and system) should have the right degree of (de)centralization

- Model: the federal system:
  - Basically, to respect the subsidiarity principle
  - However, three limitations:
    - Existence of good or bad externalities
    - Search for economies of scale
    - High preference for equal treatment of equals
- These basic principles apply for institutions and the system

## 4) Increase the decision power of the leaders, while securing the necessary consultations and control (counter-power)

- The most important measures:
  - To increase the decision-power of the leaders
  - To simplify the decision process (reduction of the number of bodies concerned)
- However, the decision process should guarantee
  - A extensive and true consultation of those concerned (including students for objects which are of their concern)
  - That each decision body has to report to a higher ranked body
  - That the decision makers (elected or nominated?) are chosen and have the possibility to make decisions



## 5) Professionalize the decision mechanisms and the administration

- Too many universities have an “amateurish” system of management with regard to strategy setting and decision making
- It is necessary that
  - The leaders have management skills in addition to academic ones
  - The decisions are better funded (accounting, controlling, strategic analysis, etc...)



A photograph of a snowy mountain peak, likely Mount Everest, with the text "BY WAY OF CONCLUSION" overlaid in blue. The mountain is covered in snow and has a sharp peak. The sky is a pale blue. The text is in a bold, sans-serif font. In the bottom right corner, there is a small, dark silhouette of a person's head and shoulders, looking up at the mountain.

BY WAY OF CONCLUSION

# My purpose was to send a message of warning and launch some ways for change

- Without a change in the governance and leadership of their institutions and system, Europe will not succeed to have enough strong universities
- Hopefully, I have identified most of the action *locus*
- I however fully realize that it is only a starting point; this is why I hope this important conference will
  - trace the most important ways to make universities capable of faster change
  - initiate a broader awareness of the urgency of the question
  - Stimulate more research and debate on the subject



THANK YOU FOR YOUR  
ATTENTION

I HOPE YOU WILL ENJOY THIS  
CONFERENCE

[luc.weber@ecopo.unige.ch](mailto:luc.weber@ecopo.unige.ch)